



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/814,954	03/31/2004	Edward J. Coad	14846-24	7234

7590 11/09/2009  
DOCKET ADMINISTRATOR  
LOWENSTEIN SANDLER PC  
65 LIVINGSTON AVENUE  
ROSELAND, NJ 07068

EXAMINER
----------

CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
----------	--------------

3695

MAIL DATE	DELIVERY MODE
-----------	---------------

11/09/2009

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/814,954	<b>Applicant(s)</b> COAD ET AL.	
	<b>Examiner</b> SIEGFRIED E. CHENCINSKI	<b>Art Unit</b> 3695	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 23 June 2009.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-11 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-11 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>6/23/09</u> .   | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Applicant Admitted Prior Art***

1. Applicant has failed to traverse the examiner's Official Notice given in the last Office Action regarding the well known nature of the following limitations:

- \* In claim 1 - "protecting a position" was well known at the time of Applicant's invention.

- \* In the following claims:

- Claim 2. a national best bid/offer price for the contracts

- Claim 4. placing a facilitation order on the at least one automated exchange if an order is placed for more than a predetermined number of contracts.

- Claim 5. A method in accordance with claim 4 further including the step of placing a contra order against the order on the at least one automated exchange.

- Claim 9. automatically hedging an order.

Therefore, one limitation in claim 2 and the limitations of dependent claims 2, 4, 5 and 9 have become Applicant Admitted Prior Art (AAPA) per MPEP MPEP 2104 C 2nd parag.

- AAPA - Applic. Admission due to lack of or inadequate Travelsal:

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate.

Therefore, "protecting a position" is now Applicant Admitted Prior Art (AAPA).

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

**2. Claims 1-11 are rejected under 35 U.S.C. 112, second paragraph**, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Independent claim 1 is indefinite because of the limitation stating “wherein a selected automated exchange is further automatically processed by the facilities server, said order to protect a position”. This limitation appears to claim the processing of an automated exchange, not an order. For examination purposes this limitation will assume the following language: “wherein an order sent to a selected automated exchange is further automatically processed by the facilities server”. Dependent claims 2-11 are rejected due to their dependence on rejected claim 1.

**3. Claims 1-11 are rejected under 35 U.S.C. 112, second paragraph**. Claim 1 recites the limitation “wherein the a selected non-automated exchange; is automatically monitored by the facilitation server”. There is insufficient antecedent basis for this limitation in the claim. A step of selecting a non-automated exchange has not preceded this limitation so monitoring such an exchange has no place in this claim logic. Dependent claims 2-11 are rejected due to their dependence on rejected claim 1.

Applicant is advised to bring the claims into statutory compliance but is advised not to add new matter to the claims.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**4. Claims 1, 3, 6-8, 10 and 11 are rejected under 35 U.S.C. 103(a)** as being unpatentable over Guttermann et al.(US Patent 5,297,031, hereafter Guttermann) in view

of Patterson, Jr. et al. (US Patent 5,774,877, hereafter Patterson) and Slone (PreGrant Publication 2002/0128958 A1).

**Re. Claim 1**, Gutterman discloses “a broker workstation for managing orders in a market for trading commodities, securities, securities options, futures contracts and futures options and other items including: a device for selectively displaying order information; a computer for receiving the orders and for controlling the displaying device; and a device for entering the orders into the computer; wherein the displaying device comprises a device for displaying selected order information about each incoming order, a device for displaying a representation of an order deck and a device for displaying a total of market orders. In another aspect of the invention, there is provided in a workstation having a computer, a device for entering order information into the computer and a device for displaying the order information entered, a method for managing orders in a market for trading commodities, securities, securities options, futures contracts and futures options and the like comprising the steps of: selectively displaying order information incoming to the workstation; accepting or rejecting orders corresponding to the incoming order information displayed; displaying accepted order information in a representation of a broker deck; and selectively displaying a total of orders at the market price.” (Abstract). Gutterman discloses manual trading execution through the open pit open outcry method (Col. 1, 32-37). Gutterman also discloses that firms which are members of exchanges are the intermediaries who bring trading orders to the exchange appropriate for executing the trade of a given security (Col. 1, 45-47). Gutterman also discloses an automated online method for a transaction interface for processing commodities and financial securities, futures contracts and futures options trading orders through a broker intermediary system (Col. 5, l. 59 – Col. 6, l. 15). As such, Gutterman discloses a method for providing a transaction interface to a plurality of exchanges, said plurality of exchanges comprising at least one automated exchange and at least one non-automated exchange, said method comprising:

- Receiving, at a client work station, a client order comprising one or more contracts (Col. 5, l. 64; Col. 6, ll. 42-50);

Art Unit: 3695

- cancel/replace messages are not handled by electronically stored routing rules (Guttermann discloses this step to be handled by a human, the broker, meaning that the automation rules do not handle cancel/replace messages (Col. 4, ll. 35-43; Col. 6, ll. 51-55).
- electronically stored routing rules are suggested (Col. 6, ll. 33-35);
- automatically delivering, by the facilitation server, the order for execution (Fig. 3a);

Guttermann does not explicitly disclose replace messages. However, Patterson discloses cancel/replace messages (Col. 20, bottom in table; Col. 26, ll. 59-67).

Guttermann does not explicitly disclose automatically selecting, by a facilitation server, one of the plurality to exchanges for execution of the client order based on the one or more contracts in the order and based on electronically stored routing rules, wherein the electronically stored routing rules translate messages between a messaging layer and a message protocol. However, Slone discloses automatically selecting, by a facilitation server, one of a plurality of exchanges for execution of the client order based on the one or more contracts in the order and based on electronically stored routing rules (p. 6, [0068], [0070]), wherein the electronically stored routing rules translate messages between a messaging layer and a message protocol (p. 9, [0106]).

Guttermann does not explicitly disclose wherein an order sent to a selected automated exchange is further automatically processed by the facilities server, said order to protect a position. However, Slone discloses wherein an order sent to a selected automated exchange is further automatically processed by the facilities server ([0068], [0074]), said order to protect a position ([0050], [0074]).

Guttermann does not explicitly disclose wherein a non-automated exchange selected for order execution is automatically monitored by the facilitation server. However, Slone discloses wherein a non-automated exchange selected for order execution is automatically monitored by the facilitation server (This is inherent on Slone because Slone discloses that any exchange is a candidate for order execution without limitation [0068], [0074]).

Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosure of Gutterman, Patterson and Slone with the practitioner's own knowledge in order to have developed a method for providing a transaction interface to a plurality of exchanges, motivated by a desire to apply computer-based techniques for managing orders placed in a physical market for trading instruments such as stocks, bonds, stock options, futures options and futures contracts on commodities including agricultural products, financial instruments, stock market indices and the like (Gutterman, Col. 1, ll. 6-11).

**Regarding dependent claims 3, 6-8, 10 and 11,**

Claims 3, 6-8, 10 and 11 would have been obvious to the ordinary practitioner in Gutterman, Patterson and Slade's disclosures:

Claim 3, selecting the at least one automated exchange if the order can be executed on the at least one automated exchange (Slone, [0068], [0074], [0106]).

Claim 6. creating an instrument evidencing the transaction.

Claim 7. providing a monitoring system to monitor the status of the order (Slone, [0068], [0074]).

Claim 8. updating the monitoring system as each step occurs (inherent in Slone, [0068], [0074]).

Claim 10. recording the execution of each step of the transaction (inherent in Gutterman and Slone).

Claim 11. recording the execution of each step of the transaction in a database (These steps are inherent in the processes disclosed by Gutterman, Patterson and Slone).

**5. Claims 2, 4, 5 and 9 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Gutterman, Patterson) and Slone as applied to claim 1 above, and further in view of in view of Applicant Admitted Prior Art (hereafter AAPA).

**Re. claims 2, 4, 5 and 9,**

Claim 2. a national best bid/offer price for the contracts

Claim 4. placing a facilitation order on the at least one automated exchange if an order is placed for more than a predetermined number of contracts (Slone, [0068], [0074],

[0106]).

Claim 5. the step of placing a contra order against the order on the at least one automated exchange.

Claim 9. automatically hedging an order.

Claims 2, 4, 5 and 9 are AAPA because they were well known steps in the execution in the processing of trading orders in the equity and bond markets at the time of Applicant's invention. For example: contra orders are disclosed by Patterson (Fig. 10; Col. 17, ll. 5-13; Col. 23, ll. 5-10); hedging an order (claim 5) is disclosed in Slone ([0053]).

Therefore, re. claims 2, 4, 5 and 9, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosure of Gutterman, Patterson, Slone and AAPA with the practitioner's own knowledge in order to have developed a method for providing a transaction interface to a plurality of exchanges, motivated by a desire to computer-based techniques for managing orders placed in a physical market for trading instruments such as stocks, bonds, stock options, futures options and futures contracts on commodities including agricultural products, financial instruments, stock market indices and the like (Gutterman, Col. 1, ll. 6-11).

### ***Response to Arguments***

6. Applicant's arguments filed June 23, 2009 regarding claims 1-11 have been fully considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).



A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Charles Kyle, can be reached at (571) 272-6746.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

***Commissioner of Patents and Trademarks, Washington D.C. 20231***

or Faxed to (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

Art Unit: 3695

or Faxed to (571) 273-6792 [Informal/Draft communications, labeled  
"PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above  
USPTO web site in Alexandria, VA.

SEC

November 7, 2009

/Narayanswamy Subramanian/  
Primary Examiner, Art Unit 3695